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Reagan's New Plan For a Tougher CIA

Can the intelligence needs of the United States be met without infringing on the civil liberties of its citizens?

Reagan Administration officials have been wrestling with that question ever since they began studying ways to ease restrictions on the CIA. It hasn't been easy: two early drafts of an Executive order replacing Jimmy Carter's guidelines governing U.S. intelligence agencies caused storms of protest, not only from civil libertarians, but also from conservatives who want a virtual repeal of Carter's order. Now a third draft has been completed—and a copy obtained by NEWSWEEK last week reveals that President Reagan wants to give the CIA extraordinary new authority to spy on U.S. citizens.

The proposals in Reagan's draft order are bound to create a constitutional furor. Carter's 1978 order, for example, was designed to prevent the CIA from repeating the abuses of the 1960s and '70s by barring agents from infiltrating domestic organizations. The Reagan order would overturn that provision by giving the CIA authority to collect information by infiltrating domestic groups and attempting to influence their activities if the Attorney General gives his approval. Some critics believe the new order is tailor-made to permit agents to penetrate groups with ties to foreign countries, such as lobbies promoting the interests of Israel, Northern Ireland and various Third World nations. The CIA would be barred from influencing the domestic activities of these lobbying groups, but agents conceivably could use their access to help shape the policies of the foreign country.

The order also proposes to relax rules governing CIA investigations of American citizens. Intelligence agents still won't be able to use wiretaps and other techniques that require court warrants when investigating citizens within the United States, but the new order would drop all restrictions on CIA physical surveillance of Americans traveling abroad. While the CIA's power to build dossiers on Americans was generally limited to people "reasonably believed" to be involved in such crimes as espionage and terrorism, critics say the new order would allow the CIA to gather all sorts of information, including private records such as telephone bills and medical records, about anyone in whom it was interested—including journalists or businessmen who are not breaking any laws.

Doubts: The American Union has branded the threat to civil liberties. the CIA's proposed draft being expressed by law-enforcement officials and CIA veterans. "These people seem to want a pre-1970 intelligence community," says one intelligence expert. "Their timing is atrocious," agrees an FBI official. "The CIA still hasn't regained the confidence of the public." There are enough doubts about the draft that a bipartisan group of senators last week submitted to the Administration a lengthy list of questions about the order. Unless the White House agrees to cooperate, says one Senate aide, "I don't see how we can go along."

In reality, Congress is powerless because an Executive order only needs the President's signature to become effective. But legislators troubled by the new order could frustrate other Administration efforts to strengthen the nation's intelligence network. Just last week, for example, the White House was rebuffed when the Senate Judiciary Committee unexpectedly rejected a bill making it a Federal crime to disclose the identities of American intelligence agents. Even though CIA director William Casey had lobbied personally for the bill, the Senate panel endorsed a milder version. Casey may still twist enough arms to carry the bill in a vote of the full Senate—but his task will be complicated by the larger controversy created by Reagan's plans for widening CIA activities at home.

MICHAEL REESE with ELAINE SHANNON and
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